

- ❖ I am John Wanamaker and a Vice President with GVA Kidder Mathews. I am speaking on behalf of the Association of Tukwila Shoreline Property Owners, which is comprised of eight commercial property owners along the Green/Duwamish River.
- ❖ The members of the association have joined together in the hope that this will provide a vehicle to work with the City towards reasonable revisions of the SMP, as well as to pursue this matter in other forums if needed.
- ❖ From the outset, a major concern of the property owners has been the negative economic impact that the SMP, particularly its buffer provisions, will have on their properties and on the city as a whole.
- ❖ It is unclear to us why the City did not undertake an economic impact study earlier in the process. However, we felt strongly enough about the need for this information that we commissioned a private economist, Matthew Gardner, to do such a report, which we are submitting tonight along with our comment letter.
- ❖ You will see that Mr. Gardner concludes the SMP, as currently drafted, will have a substantial negative impact on the City's revenues, including property and sales tax as well as other city income sources.
- ❖ We are hopeful that this report will be sufficient to cause the Council to make revisions in the SMP to address the issues we have raised – but if the Council feels it needs additional economic information, we urge the Council to direct preparation of a more comprehensive economic impact study, as the city is in possession of some key data not available to the general public.
- ❖ There are two critical areas where we believe revisions to the SMP are needed and where we are confident those revisions will create a win-win solution for all parties.
- ❖ **First**, regarding the proposed buffers, as expressed in our letter, we see a number of legal defects with the City's buffer approach. We also respectfully disagree with staff's sentiment, expressed at the initial Council work session, that the SMP as drafted provides sufficient flexibility to tailor the buffer to site specific circumstances and the impacts of particular developments.
- ❖ We would suggest you look to the SMP recently adopted by the City of Auburn, which has been approved by the State Department of Ecology. That SMP provides buffer widths may be reduced by up to 35% provided the applicant

EXHIBIT 15 DATE 7-13-09
 PROJECT NAME Planning Commission Recommended SMP
 FILE NO 206-088

demonstrates a reduction will not result in any adverse impact to the stream. By contrast, the Planning Commission's proposal only allows buffer reduction at such time as the river bank is re-sloped, or the levee is reconstructed, according to very specific uniform standards. This is not a true buffer reduction provision – it is a highly punitive restriction to any property owner prior to the re-sloping and does not relate to any specific impacts of development on a particular property.

- ❖ **Second**, we are extremely concerned with the SMP's impact on existing developments that will fall either wholly or partially within the proposed buffer and become nonconforming. The SMP's provisions regarding preexisting uses and structures will not allow existing developments to continue to operate under commercially reasonable conditions. As an example: when a space goes dark or a use is discontinued, the property owner would only have 24 months to replace the tenant or use, which, as noted in the Gardner Report, is an unreasonably short time in the current economic situation. As if this is not restrictive enough, the proposed language will require the owner to refill the space with an identical or nearly identical type of business, virtually guaranteeing the owner will not be able to meet the 24 month requirement.

A real world example of how these restrictions will substantially and unnecessarily damage the property owner and the community is a situation faced by one of the association members. In their situation a large tenant in contracting industry is struggling and may not survive. Because of the proposed SMP regulations it would be permanent loss of 38% of the building's potential revenue with its corresponding decrease in property, utility and sales taxes. The community will also lose as this high quality manufacturing space would not be available to attract new living wage jobs a manufacturing business brings.

- ❖ We do not see any benefit to the City from precluding the continued operation of existing businesses located in the buffer prior to the time, if ever, that the levees are reconstructed and existing developments are in the way. Indeed the Gardner report indicates that the City will be seriously harmed by the approach proposed by the Planning Commission.

- ❖ On the buffer and preexisting use/structure issues, as well as the other issues addressed in our comment letter, various members of the association have provided specific proposed alternative language, both in January at the end of the Planning Commission process and in April at the first Council hearing. Simply put, we believe there are reasonable language changes that will address some of the key issues while being mutually fair to the city and the property owners impacted by the SMP.
- ❖ One of the primary purposes of the association is to provide the vehicle for working with the City to arrive at mutually agreeable language. To that end, we urge you to direct your staff that you believe further language changes are needed on the issues we have raised, and to have staff to review the language that is on the table then come back to you with revised language that addresses your concerns.
- ❖ Equally important, we request that you hold another public hearing after any language revisions have occurred, so that the public can provide additional input. We very much want to help the Council come up with language that is practical and workable. We can only do that if there is another opportunity for public comment after the Council has drafted revised language but before the Council deliberates and acts.
- ❖ We very much appreciate that the Council is taking this matter so seriously and look forward to working with the City to find solutions that work for our association as well as for the economic health of the City.